LOCAL GOVERNMENT AND COMMUNITIES COMMITTEE

CALL FOR VIEWS ON THE NON-DOMESTIC RATES (SCOTLAND) BILL

SUBMISSION FROM ANONYMOUS

I am writing to express my opposition to the proposal to remove eligibility to claim charitable relief from non-domestic rates from mainstream independent schools.

I request that the committee look at the bigger picture and longer term implications on the education of all children in both the independent sector and state sector that such a decision could have.

I would challenge the point that “there is no direct impact of this change on the Scottish Administration or local authorities as ratepayers”. As rate payers there may be no direct impact but I see there being an impact to both in the longer term due to the substantial additional costs that the Scottish Administration and local authorities will need to fund in order to provide additional school places and facilities for the increase in pupil numbers across year groups with parents removing their children from the independent schools if they are unable to meet the increased fees.

Parents that decide to send their children to independent schools come from all walks of life with many making considerable sacrifices for the benefit of their children, not all are in the top earners bracket and not all can afford significant fee increases that would need to occur if this proposal was to come into force.

The various bursaries and scholarships offered by these schools have benefited those who would not otherwise be able to afford to attend, broadening and benefiting not just those individuals but also the school and the pupils making it more diverse and inclusive. There is a risk that this will also be lost. At a time when the likes of Oxford, Cambridge, St Andrew’s and other highly respected universities are being challenged to make themselves more inclusive to all individuals. Bringing forward a proposal that would see independent schools having to raise fees to cover additional cost and effectively make them more exclusive seems to be going against the current environment and what everyone is working to achieve.

With this change the independent schools would need to review their budgeting and this could lead to rise in fees in order to meet the increased financial requirements. The £5million to £7million money that is forecast to be raised by this proposed change would be immediately spent on providing additional places if just 3% of pupils were withdrawn from independent schools. Any more than 3% would require additional funding and at a cost to the tax payer impacting everyone. It would also likely see a projected rise in state school numbers as parents decide not to send children to independent schools due to the higher fees and further required increases in funding for each era, school facilities to meet an increase in demand.
At a time when the teaching numbers are under pressure and more are leaving the profession than joining putting this additional risk and potential stress upon the system seems unnecessary for probably no financial gain and very likely additional financial cost to the Scottish tax payer.

Consideration should also be made to small and medium enterprises (SMEs) that are the foundation of our economy and the impact that this change will have on those that utilise independent school facilities, which are offered to the wider local community the likes of swimming clubs, dance clubs, arts and sports clubs, these are used by all members of the community. This proposed change increases the risk that as part of any budget review completed by the schools cost to use facilities is increased, this will impact the businesses and their customers, who will be from the local community and not solely the independent school. Potential to see a decrease in activities being offered at a time when active healthy lifestyles is being widely promoted by the Scottish Administration and a revenue hit for some of the SMEs which are also under pressure and employ a large section of the local communities.

Headlines around removal of a tax break for independent schools may appeal but when that headline includes there was no benefit to the public finances as this was channelled to state schools to meet increased demand and that further increases in everyone's tax bill to fund schools coupled with state school class sizes increasing and all were as a result of this change then it is less appealing and would be tough for the public to take, especially when it is very avoidable.

I would like to reiterate for the committee to please think about what this proposal is trying to achieve and to consider the various scenarios and look at the bigger picture and longer term implications. Are we wanting independent schools to become smaller and exclusive for the highest earners pushing us back into the 19th century or do we want them to increase their inclusiveness to the benefit of many and have a great blend of state and independent working in harmony sharing skills to benefit the education of all our children. As this has a very real risk of not just negatively impacting the public finances but more importantly negatively impacting the education of all children in the Scottish education system.